From: Morning Consult
To: lmartin@bakersfieldpd.us
Subject: Morning Consult Tech: FTC Reportedly Facing Partisan Split Over Facebook Privacy Settlement
Date: Tuesday, May 28, 2019 5:04:08 AM

By Sam Sabin

Top Stories

- Federal Trade Commission Chairman Joseph Simons is struggling to get at least one of the agency's two Democratic commissioners - Rebecca Kelly Slaughter and Rohit Chopra - on board with the agency's settlement of the investigation into Facebook Inc.'s alleged privacy abuses amid concerns that the deal will be too lenient, according to a source familiar with the matter. The partisan divide is delaying the settlement, which sources said in April was expected within days of Facebook's announcement the same month that it anticipated paying up to $5 billion in its deal with the agency. (The Wall Street Journal)

- A tool created by the National Security Agency, called EternalBlue, is at the center of the weeks-long cyberattack hitting the Baltimore government's

online services, according to security experts briefed on the case. The tool, which the NSA reportedly lost control of in 2017, has since been acquired by state agents in North Korea, Russia and China, and it is now being used to target vulnerable American towns and cities, the experts said. (The New York Times)

- Facebook Chief Executive Mark Zuckerberg and Chief Operating Officer Sheryl Sandberg will defy a subpoena to appear before the Canadian Parliament today, putting the executives at risk of being held in contempt of parliament, according to the senior Canadian politician who sent the summons. The executives received the formal requests earlier this month and were asked to testify on the company's impact on privacy and democracy, but a Facebook spokesperson said the firm will instead send its head of public policy in Canada and director of public policy to the meeting. (CNN)

Chart Review

After Huawei, Trump's Blacklist May Lead to a Global Tech Schism
Bloomberg

Events Calendar (All Times Local)

05/28/2019

National Institute of Standards and Technology's privacy framework discussion draft webinar	1:00 pm
House Oversight and Reform Committee civil rights subcommittee's field hearing on the 2020 Census	2:00 pm

05/29/2019

AWE USA 2019

AEI's discussion with Ambassador Robert Strayer on 5G network security	9:00 am
The Aspen Institute's event on the challenge of deterrence in cyberspace	12:00 pm
AT&T and Carnegie Mellon University's Privacy in the World of Internet of Things forum	1:00 pm

05/30/2019

AWE USA 2019

ITIF's Center for Data Innovation event on artificial intelligence	10:00 am
Cato Institute's panel discussion on free trade and propserity	12:00 pm
Financial Times' event on AI and the future of work	6:00 pm

05/31/2019

AWE USA 2019

FTC Cmr. Phillips keynote at Global Antitrust Economics Conference	9:00 am
Privacy and Civil Liberties Oversight Board's public forum on USA Freedom Act and telephone records	10:00 am
Brookings Institution's conversation with CIA's privacy and civil liberties officer	10:30 am

06/01/2019

CircleCityCon

06/02/2019

CircleCityCon

06/03/2019

CircleCityCon	
Apple's WWDC 2019	
Fiber Broadband Association's Fiber Connect conference	
New America's discussion with FCC Commissioners Mike O'Rielly and Jessica Rosenworcel on 5G deployment	12:00 pm

06/04/2019

Apple's WWDC 2019	
Fiber Broadband Association's Fiber Connect conference	
New America's panel discussion to launch its Data & Great Power Competition	9:30 am

View full calendar

Introducing: Gen Z's Most Loved Brands

The definitive guide to which companies are winning over America's youngest generation.

General

Huawei's Yearslong Rise is Littered With Accusations of Theft and Dubious Ethics
Chuin-Wei Yap et al., The Wall Street Journal

Chinese giant says it respects intellectual property rights, but competitors and some of its own former employees allege company goes to great lengths to steal trade secrets.

Trump Wants to Wall Off Huawei, but the Digital World Bridles at Barriers
David E. Sanger, The New York Times

President Trump has finally succeeded in building his wall: not the one he keeps demanding on the southwestern border, but a far more complex barrier meant to block China's national telecommunications champion, Huawei, from operating in the United States and starve it of American technology as it builds networks around the globe.

Amazon Is Poised to Unleash a Long-Feared Purge of Small Suppliers
Spencer Soper, Bloomberg

Two months ago, Amazon.com Inc. halted orders from thousands of suppliers with no explanation. Panic ensued - until the orders quietly resumed weeks later, with Amazon suggesting the pause was part of a campaign to weed out counterfeit products. Suppliers breathed a sigh of relief.

Japan to limit foreign ownership of firms in its IT, telecom sectors
Leika Kihara and Tetsushi Kajimoto, Reuters

Japan's government said on Monday that high-tech industries will be added to a list of businesses for which foreign ownership of Japanese firms is restricted. The new rule, effective Aug. 1, comes amid heightening pressure from the United States in dealing with cyber-security risks and technological transfers involving China.

Apple and Nike Brace for China's Wrath After Huawei Ban
Bruce Einhorn, Bloomberg

U.S. companies counting on China for a major part of their growth have targets on their backs as Beijing and Washington ratchet up trade-war tensions. President Donald Trump's decision to blacklist Huawei Technologies Co., the Chinese maker of smartphones, while also threatening bans on other Chinese technology companies, could open the door to retaliation against U.S. brands

from hotels to sportswear to even Captain America.

Wall Street Isn't Buying What Silicon Valley Is Selling
Eliot Brown, The Wall Street Journal

Silicon Valley is pumping out giant startups with expansive visions, but Wall Street isn't sold. It isn't just Uber Technologies Inc. whose public performance has looked grim compared with its private fundraising.

Google's Shadow Work Force: Temps Who Outnumber Full-Time Employees
Daisuke Wakabayashi, The New York Times

Mindy Cruz had an offer for a full-time position at another big tech company when she accepted a temporary job as a recruiter at Google in 2017. The pay was less and the benefits were not as good, but it was one step closer to her dream of becoming a Google employee.

Stocks Dip as Treasury Yields Drop to 19-Month Low: Markets Wrap
Namitha Jagadeesh, Bloomberg

U.S. equity futures fell with European stocks as traders returned from American and U.K. holidays with a cautious outlook. The dollar advanced with Treasuries.

Intellectual Property and Antitrust

Poland files complaint with EU's top court over copyright rule change
Agnieszka Barteczko, Reuters

Poland has submitted a complaint to the European Union's top court against copyright rules adopted by the bloc in April to protect Europe's creative industries, which Warsaw says may result in preventive censorship. Google will have to pay publishers for news snippets and Facebook filter out protected content under copyright rules aimed at ensuring fair compensation for the EU's $1 trillion creative industries.

YouTubers And Record Labels Are Fighting, And Record Labels Keep Winning

Julia Alexander, The Verge

Glenn Fricker didn't run into any issues when he uploaded a video about digital music editing to YouTube in 2014. But in April, nearly five years and 600,000 views later, he received an email from YouTube notifying him that Warner Music Group had claimed copyright over a 15-second video clip he included of Iron Maiden.

Why breaking up Facebook won't be easy
Margaret Harding McGill and Steven Overly, Politico

The idea of breaking up Facebook is gaining attention like never before - from the campaigns of presidential candidates like Elizabeth Warren and Bernie Sanders to the stunning proposal from Chris Hughes, one of the social network's cofounders, to split the company apart to curb its "monopoly" power.

Telecom, Wireless and TV

Trump's China Feud Threatens 5G Growth in U.S.
Stu Woo, The Wall Street Journal

The Trump administration's offensives aimed at frustrating the 5G ambitions of China and mobile-technology giant Huawei Technologies Co. might end up impeding America's wireless ambitions, too. Recent White House actions land as China and the U.S. race to launch the superfast cellular networks, with Huawei and its Chinese customers targeting a nationwide 5G rollout next year.

Huawei Ban Threatens Wireless Service in Rural Areas
Cecilia Kang, The New York Times

Kevin Nelson was recently in the middle of his 3,800-acre farm in northeast Montana, where the landscape stretches out like an ocean, when his tractor broke. He tried to find a cellular signal strong enough to send a photo of the broken part to a repair shop 65 miles away, but failed.

47 Democrats cave on net neutrality after GOP calls bill "dead on arrival"
Jon Brodkin, Ars Technica

Forty-seven Democratic members of Congress are calling for a net neutrality

compromise with Republicans, who have refused to support a full restoration of the net neutrality rules repealed by the Ajit Pai-led Federal Communications Commission. The Democratic-majority US House of Representatives voted in April to pass the Save the Internet Act, which would restore the Obama-era FCC's net neutrality rules.

Starks: Race to 5G Could Bypass No-Gs
John Eggerton, Broadcasting & Cable

For all the talk about the U.S. winning the race to 5G, FCC Commissioner Geoffrey Starks is concerned that the country will race right by with no-G. In a speech at Georgetown University, Starks, the newest member of the commission, said he wanted to lay down a market on one of the most important issues the country faces.

Mobile Technology and Social Media

Doctored Pelosi video shows Facebook's challenge ahead of 2020
Sara Fischer and Ina Fried, Axios

Facebook's refusal to remove a doctored video of House Speaker Nancy Pelosi is reigniting a debate over how tech platforms should respond to misinformation and hoaxes.

Microsoft, Facebook to help tame internet ahead of Canada's election, official says
Kelsey Johnson and David Ljunggren, Reuters

Microsoft Corp and Facebook Inc have agreed to help boost the security of Canada's October election by removing fake accounts and cracking down on bots, a top government official said on Monday. Last month the Liberal government of Prime Minister Justin Trudeau complained that the world's major social media companies were not doing enough to help combat potential foreign meddling in the vote and said Ottawa might have to regulate them.

Peru, Colombia, Ecuador and Bolivia denounce decision on Amazon domain
Mitra Taj, Reuters

The presidents of Peru, Colombia, Ecuador and Bolivia criticized a recent

decision by the organization that manages internet protocol to grant global retailer Amazon Inc the rights to the .amazon domain. Amazon Inc has been seeking the exclusive rights to the .amazon domain name since 2012.

China's ByteDance plans to develop its own smartphone
Nian Liu and Louise Lucas, Financial Times

China's ByteDance, owner of the popular TikTok streaming app, is taking a step into hardware to develop its own smartphone, according to two people familiar with the project. ByteDance, whose $75bn valuation ranks it as one of the world's biggest start-ups, plans to launch a phone preloaded with its own apps - which include newsfeeds, short video platforms and games - in a bid to further spread its reach.

Cybersecurity and Privacy

Security blog reports that First American left hundreds of millions of records exposed
Craig Timberg and Renae Merle, The Washington Post

A leading mortgage settlement and title insurance company, First American Financial Corporation, left hundreds of millions of customer records accessible on the web, including personal information such as Social Security numbers, according to a report on a security blog Friday.

Facebook facing most probes by Irish data regulator
Matthew Wall, BBC

Ireland's Data Protection Commission says it has launched 19 statutory investigations, 11 of which focus on Facebook, WhatsApp and Instagram. Twitter and LinkedIn are also under investigation, and last week the commission launched a probe in to Google over the way it uses personal data to provide targeted advertising.

Why does Alexa save transcripts of user conversations? This senator asked Amazon
Emily Kopp, Roll Call

A Democratic senator sent a letter to Amazon CEO Jeff Bezos Thursday requesting information about why the company retains transcripts of

conversations recorded by Amazon Echo devices, even after users have pressed "delete."

Amazon facial recognition ban won just 2% of shareholder vote
Jeffrey Dastin, Reuters

Amazon.com Inc shareholders overwhelmingly rejected a proposal that the company stop selling facial recognition technology to government agencies, while a resolution to audit the service drew more support, a regulatory filing on Friday showed.

Opinions, Editorials and Perspectives

Nancy Pelosi and Fakebook's Dirty Tricks
Kara Swisher, The New York Times

So, Fakebook it is. This week, unlike YouTube, Facebook decided to keep up a video deliberately and maliciously doctored to make it appear as if Speaker Nancy Pelosi was drunk or perhaps crazy.

Trump's latest explanation for the Huawei ban is unacceptably bad
Russell Brandom, The Verge

Over the past week, the US government has taken extreme and unprecedented steps against Huawei, cutting it off from every US partner at the risk of a long-term rupture in trade between the US and China. But while the impact of the order is clear, it's still not entirely clear why it was put in place.

Regulate facial recognition technology before it is too late
John Thornhill, Financial Times

In his classic history of Britain, AJP Taylor wrote that: "Until August 1914 a sensible, law-abiding Englishman could pass through life and hardly notice the existence of the state, beyond the post office and the policeman."

Research Reports

Commercial Space Transportation: Improvements to FAA's Workforce Planning Needed to Prepare for the Industry's

Anticipated Growth

U.S. Government Accountability Office

Demand for commercial space launches, which send satellites into orbit for government and private customers, is expected to increase in the coming years. The Federal Aviation Administration's Office of Commercial Space Transportation oversees the commercial space transportation industry.

This email was sent by: Morning Consult
729 15th St. NW Washington, DC, 20005, US

Manage Subscriptions | Update Profile | Unsubscribe

SUBSCRIBE